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The Food Stamp Program is a new method of helping low-income and welfare-aided families buy more food. Retailers and wholesalers not only render valuable service to their community and to the Nation, but also share in the increased business activity generated when food coupon shoppers are given greater access to America's agricultural abundance. This guide will help you provide this service.

THE FOOD STAMP PROGRAM

A GUIDE FOR RETAILERS AND WHOLESALERS



HOW TO APPLY

Food retailers and wholesalers who wish to be part of this program may get an application by calling or writing the local Consumer Food Program Field Office, Consumer and Marketing Service, USDA. If you write, include the name, address and telephone number of your firm.

When you receive the application, answer all the questions and check the items that apply to your business. Keep in mind that false answers may result in denial or cancellation of approval to participate. After completing and signing the application, mail or deliver it to the Consumer Food Programs Field Office. You may be asked to visit the office for a personal interview or you may be visited by a food stamp representative before authorization to participate is granted.

AUTHORIZATION

All firms approved to participate will be issued a Food Stamp Program Authorization Card which must be kept in the store. The authorization number on the card must be used when you redeem coupons. If you move or sell your business, notify the Consumer Food Programs Field Office immediately.

No food coupons can be accepted by a firm before receiving the authorization card nor after it is withdrawn or surrendered.

ELIGIBLE FOODS

Authorized food retailers can accept food coupons from known recipients for any food or food product for human consumption except alcoholic beverages, tobacco, those foods which are identified on the package as imported, and meat and meat products which are imported.

As an authorized food retailer, you must not accept food coupons for any meat or meat product which is labeled or can be identified as imported when it is delivered to your store or to a central warehouse, distribution center, or meat fabricating facility operated by you.

You will receive an Official Food List with the above information. This list must be displayed in your store.

REDEEMING FOOD COUPONS

Authorized retailers and wholesalers may present Federal food coupons to participating banks for redemption. Before redemption, separate the coupons by denomination. Each coupon must be endorsed with the authorization number or name of the unit redeeming it. Coupons may be redeemed for cash or credit.

To be redeemed through banks or wholesalers, coupons presented by retailers must be accompanied by a completed "Retail Merchant's Food Stamp Program Redemption Certificate" (Form CFP-253).

Authorized wholesalers who have received coupons from authorized retailers can redeem such coupons at participating banks only if they are accompanied by (1) The retailer's redemption certificate for the coupons, and (2) A completed "Wholesaler's Food Stamp Program Redemption Certificate" (Form CFP-253-1).

Redemption certificates will be supplied by your Consumer Food Programs Field Office.

FILLING OUT THE REDEMPTION CERTIFICATE

The "Retail Merchant's Food Stamp Program Redemption Certificate" must be filled out this way: *Block (A)*—Show the name and address of the bank or wholesaler redeeming coupons. *Block (B)*—Show your store's name, address, authorization number, and the date. *Block (C)*—Show the value of the coupons you are redeeming. *Block (D)*—Sign in the space provided and give your title.

The "Wholesaler's Food Stamp Program Redemption Certificate" is filled out exactly the same as the retailer's except for *Block E* on the reverse side, in which the names or authorization numbers of retailers and value of coupons redeemed by each must be shown. The certificate accompanying the retailer's coupons must also be attached.

RETAILERS
DO'S AND DON'TS

DO Read Parts 1600, 1602, and 1603 of the Food Stamp Program Regulations carefully

DO Post Official Food List

DO Instruct employees on handling food coupon transactions

DO Keep Authorization Card available

DO Ask unknown customers for Food Stamp Identification Card

DO Check for signature on back of coupon book

DO Accept coupons only for eligible foods on same terms as cash purchases

DO Keep and use unendorsed 50c coupons for change

DO Use banks when possible to redeem coupons

DO Mark or stamp store name or authorization number on coupons before redemption

DON'T Accept food coupons before being authorized

DON'T Accept cancelled or endorsed coupons

DON'T Accept loose \$2.00 coupons

DON'T Accept coupons for alcoholic beverages or tobacco

DON'T Accept coupons for food clearly identified on packages as imported

DON'T Accept coupons for meats or meat products which you know are imported

DON'T Accept coupons for any non-food item

DON'T Give cash as change

DON'T Give credit slips for more than 49c

DON'T Accept coupons for payment on charge accounts

DON'T Give cancelled or endorsed 50c coupons as change

DON'T Accept coupons for bottle or other container deposits



QUESTIONS AND ANSWERS FOR RETAILERS AND WHOLESALERS

What is the Food Stamp Program? It is a means by which low-income families and those receiving public assistance are able to buy more food in retail stores. Their purchases are made with Federal food coupons, which permit them to buy most of the foods carried on grocers' shelves. Thus, they can buy more food for a varied, more nutritious diet, with the convenience of normal shopping practice. The program has two basic purposes—(1) Safeguarding the health of the Nation's low-income families through better nutrition; and (2) Increasing the flow of food from the Nation's farms through normal trade channels. The food coupons, redeemable for cash by participating grocers, are added food buying power, thus benefiting retailers and wholesalers and stimulating the local economy.

Do recipients pay for food coupons? Yes. So that eligible households will boost their food expenditures, they are required to buy some coupons. The amount they buy is related to the amount of money they could normally be expected to spend for the foods included in the program. They are issued an additional amount of coupons to permit them to purchase more and better food. In this way, families use their coupons to increase their food purchases—not as a substitute for their usual food expenditures.

Who may use food coupons to buy food? Food coupons are issued to households determined by public welfare agencies to be in need of food assistance. Eligible households include persons receiving public assistance, such as those with dependent children, the aged, the disabled, and the blind. The unemployed, or those with limited income, may also be certified to receive food coupons.

Must store employees know how to handle coupons? Yes. Store operators should instruct both full- and part-time employees how to handle the food coupon business properly. This will minimize errors and the possibility of violations which can cause cancellation of your Food Stamp Program Authorization, and other penalties.

Should food coupon customers be treated differently from other customers? No. Food coupon customers are the same as any other cash customer. Neither are they entitled to any preferential treatment.

How should food coupon purchases be handled at the check-out counter? Retailers should ask customers if they are food coupon shoppers when they reach the check-out counter. Coupon foods should be separated from ineligible items for ease in totaling coupon and cash amounts.

Can sales tax be paid with food coupons? Yes. Food coupons may be accepted for payment of sales tax, but only for taxes on eligible foods purchased with coupons. That's another reason for separating coupon purchases from the items that are to be paid with cash.

How do retailers make change for food coupons? No change in cash may be given for coupons. Unendorsed 50-cent coupons may be used in making change. If an amount less than 50¢ is required, the food coupon shopper has the option of paying in cash—or accepting a credit slip from the retailer for future delivery of an equivalent value of eligible foods. A credit slip or due bill cannot exceed 49¢ when used in food coupon transactions. Examples: (a) If a customer buys \$9.50 worth of food and tenders five \$2.00 coupons in payment, he may be given one 50¢ coupon in change. (b) If a customer buys 60¢ worth of food, one 50¢ coupon may be given the cashier, plus 10¢ in cash; or if the customer gives the cashier two 50¢ coupons for a 60¢ purchase, the cashier could give as change a credit slip for 40¢. Retailers can also allow recipients to "trade out" the difference in eligible food. Because unendorsed 50¢ coupons can be used as change, retailers should retain a sufficient number of these coupons for change purposes.

May food coupon shoppers leave their coupon books at food stores? No. Coupon books must be kept in the possession of households to which they are issued. The books are to be presented each time purchases are made with coupons.

May food coupon shoppers transfer, trade or sell their coupons? No. The coupons must be used only by the households to which they are issued. Anyone who misuses them, whether participant, retailer, wholesaler, or other, is in violation of program regulations and subject to penalty.